

**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance of Governmental Funds  
To the Statement of Activities  
Governmental Funds**

*For the Year Ended December 31, 2006*

Net changes in fund balances - total governmental funds	\$ 3,661,205
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives.	6,660,037
Repayment of bond principal and accrued interest is an expenditure in funds, but the repayment reduces long-term liabilities in the governmental statement of net assets. Loan/Bond Proceeds provide current financial resources to governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	652,713
Some revenues or expenditures reported in the statement of activities are not yet available or expensed and therefore are not reported as revenue or expenses in governmental funds.	(3,149,062)
Internal service funds or activities are used by management to charge the cost of certain activities to individual funds.	<u>550,341</u>
Change in net assets of governmental activities.	<u><u>\$ 8,375,234</u></u>
See Accompanying Notes to Financial Statements	